

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6586**

**BILL NUMBER:** HB 1144

**NOTE PREPARED:** Dec 15, 2010

**BILL AMENDED:**

**SUBJECT:** Fire Protection Districts.

**FIRST AUTHOR:** Rep. Smith V

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill provides that a trustee of a fire protection district may receive up to \$2,000 per year for service as a trustee.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Summary:* The bill changes the maximum payment to a trustee of a fire protection district from \$20 per day to \$2,000 per year. The impact on payment of trustees is indeterminable and dependent on local action.

For example only, if all trustees were paid the maximum proposed per diem limit of \$2,000 per year, a five-member trustee board could be paid a maximum of \$10,000 per year. Under current law, FPD trustees can be paid no more than \$20 per day devoted to FPD service. The proposed limit would, based on the current \$20 per diem, essentially limit a trustee to be paid for 100 service days [100 x \$20 = \$2,000]. However, some FPD trustees are currently not paid a per diem for their service.

**Background:** FPD trustee boards must have at least three members. Generally, there is one trustee for each political subdivision in the FPD. An additional trustee is added, when necessary, to insure an odd-numbered board. Boards typically are made up of three, five, or seven trustees. As of September 2010, there were 66

identified FPDs in Indiana. Based on a survey, 62 FPDs reported 265 trustees. The average size of the respondents' trustee boards is approximately five members.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Fire protection districts.

**Information Sources:** An LSA survey of county auditors, township trustees, FPD trustees, fire chiefs, and Internet resources.

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